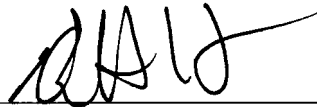


MARCH 21, 2008

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON MARCH 21, 2008, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, LEGAL, AND FEE WAIVER BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 5:00 P.M. ON MARCH 21, 2008.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGE 1 TO 4; SURFACE ACTIONS AS LISTED ON PAGES 5 TO 18; LEGAL ACTIONS AS LISTED ON PAGE 19; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 19.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 5:00 P.M. ON FRIDAY, APRIL 4, 2008. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.



KEVIN S. CARTER, DIRECTOR  
SCHOOL AND INSTITUTIONAL  
TRUST LANDS ADMINISTRATION



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

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## MINERAL ACTIONS

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### MATERIALS PERMIT SAND AND GRAVEL NO. 416 (APPROVAL)

#### APPLICANT:

Peck Rock and Products Co., LLC  
1512 North 1300 East  
Lehi, UT 84043

#### AFFECTED LANDS:

Township 6 South, Range 1 West, SLB&M.

Section 3: Beginning at the Northeast corner of said Section 3, thence South 53 degrees West, 2000.0 feet to the point of beginning; thence South 45 degrees East, 2000.00 feet; thence South 45 degrees West, 250.0 feet; thence North 45 degrees West, 2000.0 feet; thence North 45 degrees East, 250.0 feet to the point of beginning.

COUNTY: UTAH

ACRES: 11.48

FUND: SCH

#### RELEVANT FACTUAL BACKGROUND:

The applicant has held MP 277 for the past five years on the subject lands. Modest amounts of marketable sand and gravel are produced from these lands. The subject lands are the historic site of clay mining. Applicant holds Limestone Leases (ML 46231 and ML 46994) on the subject lands and is the designated operator for Interstate Brick Co., who holds ML 17806 for clay on the subject lands. Because of the "cross leasing" situation for these minerals on the subject lands, it is proposed to issue this permit on a non-competitive basis. Consultation with the Utah State Department of Commerce, Division of Corporations indicates that the applicant is a Utah Company in good standing. Royalty for material mined from the permit area is set at \$0.52 per cubic yard. Applicant provided the Administration a copy of an agreement between applicant and Interstate Brick Co. determining the reclamation responsibility for the areas where gravel is to be mined. Applicant requested a permit term of five (5) years. This action qualifies for an exemption to the State of Utah Resource Development Coordinating Committee ("RDCC") process because it is an on-going historic use of the lands and no additional surface area will be disturbed.

#### EVALUATION OF FACTS:

R850-23-200 states that the Agency may issue materials permits or convey profits a prendre or similar interests on trust lands where the Agency deems it consistent with land use plans and Trust responsibilities. Mining of sand and gravel on these lands is an appropriate use of the lands. The royalty rate set for the materials to be produced from the lands meets the requirements of R850-23-300(2)(b) and reflects a two percent (2.0%) increase above the rate set for MP 277. The permit contains a clause providing for the periodic readjustment and escalation of the royalty rate to meet increases in market rates in the area. The five-year term of the permit is consistent with the requirements of R850-23-400. This action is not considered substantive and does not warrant the time and expense necessary to complete a full narrative record of decision, nor is there any evidence that any interested party might be denied access to an appeal process. This summary shall constitute the record of decision.

Upon recommendation of Mr. Tom Faddies, the Director approved the issuance of Materials Permit No. 416 for a term of five years.

### **TOTAL ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES**

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to Petrotech Holdings, LLC, 1901 Avenue of the Stars, Los Angeles, CA 90067, by Roger Williams. No override, but subject to 5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

**OWNERSHIP BEFORE ASSIGNMENT:**

***RECORD TITLE:***

***ROGER WILLIAMS – 100%***

**OWNERSHIP AFTER ASSIGNMENT:**

***RECORD TITLE:***

***PETROTECH HOLDINGS, LLC – 100%***

....ML 48295 (SCH)....ML 48296 (SCH)....ML 48297 (SCH)....ML 48308 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of the lease listed below to Delta Petroleum Corporation, 370 17<sup>th</sup> Street, Suite 4300, Denver, CO 80202, by Amaricen Holdings, L.P., who reserves 3% overriding royalty. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

**OWNERSHIP BEFORE ASSIGNMENT:**

***RECORD TITLE:***

***AMARICEN HOLDINGS, L.P. – 100%***

**OWNERSHIP AFTER ASSIGNMENT:**

***RECORD TITLE:***

***DELTA PETROLEUM CORPORATION - 100%***

....ML 48544 (SCH)....

### **OPERATING RIGHTS ASSIGNMENT – OIL, GAS, AND HYDROCARBON LEASE**

Upon recommendation of Ms. Garrison, the Director approved the assignment of 20% interest in operating rights in part of lands: S½NW¼, NW¼SW¼ Sec. 2, T11S, R22E, SLB&M., 120.00 acres, in and to the lease listed below to Enduring Resources, LLC, 475 17<sup>th</sup> Street, Suite 1500, Denver, CO 80202, by Robert L. Bayless, Producer LLC, who reserves 7.5% overriding royalty. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

**OWNERSHIP BEFORE ASSIGNMENT:**

**RECORD TITLE:**

THE HOUSTON EXPLORATION CO. – 40%,  
ENDURING RESOURCES, LLC – 40%,  
ROBERT L. BAYLESS, JR. – 20%

***OPERATING RIGHTS:***

THE HOUSTON EXPLORATION CO. – 40%,  
ENDURING RESOURCES, LLC – 40%,  
***ROBERT L. BAYLESS, PRODUCER LLC – 20%***

**OWNERSHIP AFTER ASSIGNMENT:**

**RECORD TITLE:**

THE HOUSTON EXPLORATION CO. – 40%,  
ENDURING RESOURCES, LLC – 40%,  
ROBERT L. BAYLESS, JR. – 20%

***OPERATING RIGHTS:***

***T11S, R22E, SLB&M. 230.25 ACRES***  
***SEC. 2: LOTS 3, 4, 5, 6, NE¼SW¼, S½SW¼***  
THE HOUSTON EXPLORATION CO. – 40%,  
ENDURING RESOURCES, LLC – 40%,  
ROBERT L. BAYLESS, PRODUCER LLC – 20%  
***T11S, R22E, SLB&M. 120.00 ACRES***  
***SEC. 2: S½NW¼, NW¼SW¼***  
***ENDURING RESOURCES, LLC – 60%,***  
THE HOUSTON EXPLORATION CO. – 40%

....ML 47075 (SCH)....

**RELEASE OF \$15,000 CASH DEPOSIT – STATEWIDE OIL, GAS & HYDROCARBON SURETY (ALL)**

On August 1, 2003, the Trust Lands Administration accepted a \$20,000 cash deposit (Receipt No. SLO24115) from Solaris Exploration as surety for the State 21-19 (32-16D) Well (API 43 019 31399) under State of Utah Oil, Gas, and Hydrocarbon Lease ML 47441. Subsequently, on March 18, 2005, the Director accepted a name change to MSC Exploration, LP and a reduction in surety to \$15,000 providing statewide coverage on all MSC Exploration, LP oil & gas operations. MSC Exploration, LP, 369 Florida Hill Road, Ridgefield, CT 06877, has requested release of this cash deposit as all of their oil & gas operations have been assigned to NAE, LLC who has a \$15,000 statewide surety bond in place.

Upon recommendation of Mr. Bonner, the Director released the \$15,000 cash deposit to MSC Exploration, LP.

**CORRECTION OF DIRECTOR'S MINUTES OF NOVEMBER 9, 2007 – ML 46105 (SCH)**

The Director's Agenda of November 9, 2007, listed Oil, Gas, and Hydrocarbon Lease ML 46105 as being contracted from the Drunkards Wash Unit with an effective date of November 21, 2005. The lease had a two-year extension date of November 21, 2007. This information is correct, but it has come to the Agency's attention that the Drunkards Wash Unit 9<sup>th</sup> Expansion has been approved with an effective date of September 1, 2007. Lease ML 46105 will remain committed to the Drunkards Wash Unit as part of the 9<sup>th</sup> Expansion of the Unit.

*This item is submitted by Ms. Wells for record-keeping purposes only.*

**CORRECTION OF DIRECTOR'S MINUTES OF DECEMBER 7, 2007 – ML 46105 (SCH)**

The Director's Agenda of December 7, 2007, listed Oil, Gas, and Hydrocarbon Lease ML 46105 as expiring November 21, 2007. The records should be corrected to show ML 46105 is an active lease being held by the Drunkards Wash Unit as part of the 9<sup>th</sup> Expansion approved September 1, 2007.

*This item is submitted by Ms. Wells for record-keeping purposes only.*

**APPROVAL OF THE DRUNKARDS WASH UNIT 9<sup>TH</sup> EXPANSION**

ConocoPhillips Company, operator of the Drunkards Wash Unit, has furnished the State of Utah School and Institutional Trust Lands Administration office with evidence that the Unit's 9<sup>th</sup> Expansion was approved by the Bureau of Land Management on September 1, 2007, with the same effective date.

The following lease should be noted as being committed to the 9<sup>th</sup> Expansion of the Drunkards Wash Unit with all formations unitized:

**LEASE NO.**

**LESSEE**

ML 46105

ConocoPhillips Company

*This item is submitted by Ms. Wells for record-keeping purposes only.*

**TERMINATION OF THE GUSHER (DEEP) UNIT (SCH)**

The State of Utah School and Institutional Trust Lands Administration office has been furnished with evidence that the Gusher (Deep) Unit was terminated by the Bureau of Land Management on January 31, 2008, with the same effective date, per the request of Newfield Exploration Company, Operator of the unit.

The following leases should be noted as terminated from the Gusher (Deep) Unit. Neither lease is held by a producing well(s). ML 47389 will receive a two-year extension from the unit termination date with an expiration of January 31, 2010, and ML 49316 will have its original primary lease term with an expiration date of May 31, 2014:

<b><u>LEASE NO.</u></b>	<b><u>LESSEE</u></b>
ML 47389	Cabot Oil & Gas Corporation
ML 49316	The Houston Exploration Company

*This item is submitted by Ms. Wells for record-keeping purposes only.*

**INVALIDATION OF THE SKYLINE UNIT (SCH)**

In accordance with the Certification and Determination of the Skyline Unit Agreement, said unit agreement is hereby declared *invalid ab initio* as stated in the United States Bureau of Land Management letter dated March 3, 2008. The decision is based on the failure to commence drilling requirements within specified timeframes as outlined in Section 9 of the Skyline Unit Agreement. The following lease will return to its original primary term expiration date of July 31, 2012:

<b><u>LEASE NO.</u></b>	<b><u>LESSEE</u></b>
ML 48958	Fortuna (US) L.P.

*This item is submitted by Ms. Wells for record-keeping purposes only.*

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## **SURFACE ACTIONS**

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### **RIGHTS OF ENTRY**

#### **RIGHT OF ENTRY NO. 5125**

The Trust Lands Administration has received a right of entry application from Los Alamos National Laboratory, P.O. Box 1663, Attn: Rod Whitaker, MS J577, Los Alamos, NM 87545, to occupy the following described trust land located within Washington County for the purpose of an infrasonic microphone array for monitoring purposes.

T43S, R16W, SLB&M

Section 26: SW $\frac{1}{4}$ SW $\frac{1}{4}$  (within)

Washington County

This permit will replace ROE 4761, which expired on January 31, 2006. The fee for this right of entry is \$1,800.00 plus a \$50.00 application fee and \$50.00 processing fee, totaling \$1,900.00. Additionally, since the applicant failed to obtain a permit for the use of the property from February 1, 2007, to January 31, 2008, the following fees have also been assessed: \$1,800.00 use fee plus a \$50.00 application fee and \$50.00 processing fee, totaling \$1,900.00. The total fees assessed amount to \$3,800.00. School Fund. Washington County. The term of this permit is February 1, 2008, to January 31, 2009.

Upon recommendation of Mr. Lou Brown, the Director approved Right of Entry No. 5125.

### **EASEMENTS**

#### **EASEMENT NO. 1231 AMENDMENT NO. 1 (APPROVAL)**

##### **APPLICANT'S NAME AND ADDRESS:**

Questar Gas Management Co.  
1955 Blairtown Road  
P.O. Box 2819  
Rock Springs, Wyoming 82902

##### **LEGAL DESCRIPTION:**

Township 10 South, Range 19 East, SLB&M – Uintah County  
Section 16: SW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$  (within)

A 30 foot wide easement, being 15 feet on each side of its centerline, along with an additional 30 foot wide temporary easement for construction purposes, said centerline being more particularly described as follows:

Beginning at a point on the west line of the SW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 16, T10S, R19E, SLB&M, which bears N 01°43'46" W 1220.06 feet from the southwest corner of said Section 16, thence N 80°47'13" E 267.46 feet; thence S 89°38'34" E 395.06 feet; thence N 83°27'53" E 425.90 feet; thence N 76°28'02" E 455.09 feet; thence N 78°29'16" E 955.67 feet; thence N 62°19'37" E 308.43 feet; thence N 73°12'14" E 462.86 feet; thence N 82°39'46" E 814.63 feet; thence N 74°38'43" E 551.99 feet; thence N 63°24'00" E 208.82 feet; thence N

**EASEMENT NO. 1231 AMENDMENT NO. 1 (APPROVAL) (CONTINUED)**

72°43'30" E 619.32 feet to a point on the east line of the NE¼SE¼ of said Section 16, which bears S 01°52'39" E 284.16 feet from the east ¼ corner of said Section 16. The side lines of said described easement being shortened or elongated to meet the grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 3.764 acres, more or less.

Township 10 South, Range 18 East, SLB&M – Uintah County  
Section 2: NW¼, NE¼SW¼, SE¼ (within)

A 30 foot wide easement, being 15 feet on each side of its centerline, along with an additional 30 foot wide temporary easement for construction purposes, said centerline being more particularly described as follows:

Beginning at a point on the west line of Lot 4 of Section 2, T10S, R18E, SLB&M, which bears S 00°17'22" W 75.45 feet from the northwest corner of said Section 2, thence N 88°40'29" E 54.82 feet; thence S 53°32'31" E 731.53 feet; thence S 03°42'10" W 399.35 feet; thence S 40°54'24" E 367.34 feet; thence S 70°37'38" E 254.86 feet; thence S 34°52'13" E 128.78 feet; thence S 20°21'51" E 94.40 feet; thence S 06°41'05" W 108.61 feet; thence S 40°52'13" E 1107.48 feet; thence S 47°51'26" E 439.61 feet; thence S 19°30'07" E 555.47 feet; thence S 34°00'50" E 321.41 feet; thence S 47°52'40" E 323.35 feet; thence S 43°48'46" E 1193.22 feet; thence S 66°29'30" E 278.24 feet; thence S 50°14'24" E 515.55 feet; thence S 56°57'51" E 406.54 feet; thence N 71°22'26" E 624.44 feet to a point on the east line of the SE¼SE¼ of said Section 2, which bears N 00°11'07" E 273.43 feet from the southeast corner of said Section 2. The side lines of said described easement being shortened or elongated to meet the grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 5.444 acres, more or less.

Township 8 South, Range 17 East, SLB&M – Duchesne County  
Section 32: (within)

A 30 foot wide easement, being 15 feet on each side of its centerline, along with an additional 30 foot wide temporary easement for construction purposes, said centerline being more particularly described as follows:

Beginning at a point on the north line of Lot 1 of Section 32, T8S, R17E, SLB&M, which bears S 89°48'47" E 496.06 feet from the northwest corner of said Section 32, thence S 30°57'36" E 546.88 feet; thence S 42°24'28" E 307.57 feet; thence S 49°55'31" E 444.72 feet; thence S 48°06'12" E 538.42 feet; thence N 76°56'56" E 460.79 feet; thence S 75°11'26" E 400.39 feet; thence S 53°55'01" E 301.88 feet; thence S 18°03'00" E 1683.53 feet; thence S 72°23'32" E 408.97 feet; thence S 07°46'03" E 340.57 feet; thence S 25°54'40" E 546.63 feet; thence S 28°46'16" E 832.15 feet; thence S 29°11'25" E 227.31 feet; thence S 58°16'27" E 438.80 feet; thence S 59°56'11" E 139.62 feet to a point on the south line of Lot 9 of said Section 32, which bears N 89°56'54" W 256.09 feet from the southeast corner of said Section 32. The side lines of said described easement being shortened or elongated to meet the grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 5.247 acres, more or less.

COUNTIES: Duchesne &amp; Uintah

ACRES: 14.455

FUND: School

**EASEMENT NO. 1231 AMENDMENT NO. 1 (APPROVAL) (CONTINUED)****PROPOSED ACTION:**

The grantee proposes to amend Easement No. 1231 to allow for the installation of a 16-inch diameter buried natural gas pipeline instead of the 12-inch buried natural gas pipeline that was originally authorized under Easement No. 1231. The grantee has determined that the capacity of the pipeline will need to be increased in order to meet demands from producers in the area; therefore, it is necessary to install a larger pipeline than originally requested. The 12-inch pipeline that was previously authorized has not been constructed. The grantee has also requested authorization for an additional 30 foot temporary easement for use during the construction phase of the project. The permanent easement corridor will remain unchanged at 20,988.46 feet long and 30 feet wide, containing 14.455 acres. The term of the easement will remain 30 years, with the expiration date remaining March 31, 2037.

**RELEVANT FACTUAL BACKGROUND:**

Easement No. 1231 was issued effective April 1, 2007, for the purpose to construct, operate, repair, and maintain a 12-inch diameter buried natural gas pipeline. The easement corridor was 20,988.46 feet long and 30 feet wide, containing 14.455 acres. The term of the easement was 30 years, with an expiration date of March 31, 2037.

The easement corridor was previously reviewed by the Resource Development Coordinating Committee ("RDCC") under the original easement application and all comments submitted by the RDCC were addressed at that time. Since the primary usage and location of the easement corridor are not changing, this amendment was exempt from review by the RDCC.

The easement corridor was previously surveyed by Montgomery (U06-MQ-0657bips), with a finding of "No Historic Properties." The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") have reviewed the project and concur with this finding.

The corridor was also previously surveyed for paleontological resources by Stephen D. Sandau, Paleontologist for Intermountain Paleo-Consulting on May 3-5, 2006 (IPC Report No. 06-153). A majority of the area surveyed showed little to no signs of vertebrate fossil material. However, the portion of the pipeline which is located within Sec. 2, T10S, R18E, falls within a newly designated fossil locality that is considered a critical area. It was recommended that a permitted paleontologist be present to monitor the construction of the pipeline through this area, or that the pipeline be rerouted to avoid the critical area. If vertebrate fossils are discovered during any construction, a qualified paleontologist should be notified immediately to evaluate the discovery. The applicant has agreed to have a permitted paleontologist present during construction of the pipeline through this sensitive area.

**EVALUATION OF FACTS:**

1. The proposed easement amendment is not located entirely on trust lands.
2. The term of the easement will not be affected and remains at 30 years from the effective date of the original easement.
3. The applicant has paid the School and Institutional Trust Lands Administration the \$400.00 amendment fee required pursuant to R850-4-200.
4. The applicant has paid the School and Institutional Trust Lands Administration an additional easement fee in the amount of \$7,632.17 as required pursuant to R850-40-600.
5. The proposed easement amendment will not have an unreasonably adverse affect on the developability or marketability of the subject property.

This action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1231, Amendment No. 1. The required \$400.00 amendment fee and \$7,632.17 easement fee have been paid.



**EASEMENT NO. 1299 (APPROVAL AND REFUND OF OVERPAYMENT)**

**APPLICANT'S NAME AND ADDRESS:**

Delta Petroleum Corporation  
370 17<sup>th</sup> Street, Suite 4300  
Denver, Colorado 80202

**LEGAL DESCRIPTION:**

Township 22 South, Range 19 East, SLB&M

Section 21: SE $\frac{1}{4}$ SE $\frac{1}{4}$  (within)

Section 22: S $\frac{1}{2}$  (within)

Section 23: S $\frac{1}{2}$ SE $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$  (within)

Section 24: SW $\frac{1}{4}$ SW $\frac{1}{4}$  (within)

Section 25: N $\frac{1}{2}$ NW $\frac{1}{4}$  (within)

#25-12 Lateral

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point in the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 25, T22S, R19E, SLB&M, which bears N 41°09'14" E 2705.48 ft. from the west  $\frac{1}{4}$  corner of said Section 25, thence N 59°04'10" W 1182.96 ft. to a point more or less on the north line of the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of said Section 25, which bears N 16°08'40" E 2753.71 ft. from the west  $\frac{1}{4}$  corner of said Section 25, thence N 59°04'10" W 924.61 ft. to a point more or less on the west line of the SW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 24, T22S, R19E, SLB&M, which bears S 00°01'00" E 2163.83ft. from the west  $\frac{1}{4}$  corner of said Section 24, thence N 59°04'10" W 833.02 ft.; thence N 59°04'12" W 2640.41 ft.; thence S 80°07'10" W 806.43 ft.; thence S 80°07'01" W 1514.62 ft. to a point more or less on the west line of the NW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 23, T22S, R19E, SLB&M, which bears N 54°12'08" E 3254.20 ft. from the south  $\frac{1}{4}$  corner of Section 22, T22S, R19E, SLB&M, thence S 80°07'01" W 1124.82 ft.; thence S 80°06'53" W 2642.68 ft.; thence S 37°55'03" W 819.87 ft.; thence S 73°37'28" W 631.87 ft.; thence S 73°38'52" W 479.44 ft. to a point on the west line of the SW $\frac{1}{4}$ SW $\frac{1}{4}$  of said Section 22, which bears N 00°16'39" W 309.48 ft. from the southwest corner of said Section 22, thence S 73°38'52" W 1107.14 ft. to a point on the south line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 21, T22S, R19E, SLB&M, which bears S 89°52'49" W 1063.86 ft. from the southeast corner of said Section 21. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 13.51 acres, more or less.

Township 22 South, Range 18 East, SLB&M

Section 36: N $\frac{1}{2}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$  (within)

#25-12 Lateral

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point on the north line of the NW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 36, T22S, R18E, SLB&M, which bears N 89°55'41" E 441.49 ft. from the north  $\frac{1}{4}$  corner of said Section 36, thence S 73°38'40" W 546.85 ft.; thence N 89°22'52" W 1119.78 ft.; thence S 61°20'03" W 1273.06 ft.; thence S 59°38'22" W 378.00 ft. to a point more or less on the west line of the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of said Section 36, which bears S 00°00'06" W 945.48 ft. from the northwest corner of said Section 36. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 3.05 acres, more or less.

**EASEMENT NO. 1299 (APPROVAL AND REFUND OF OVERPAYMENT) (CONTINUED)**

Township 22 South, Range 18 East, SLB&M

Section 32: N $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ NW $\frac{1}{4}$  (within)

#25-12 Lateral

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point on the east line of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 32, T22S, R18E, SLB&M, which bears S 00°07'35" E 785.70 ft. from the northeast corner of said Section 32, thence N 70°27'58" W 2162.88 ft.; thence S 61°40'21" W 763.82 ft. to a point in the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of said Section 32, which bears S 08°34'47" W 426.27 ft. from the north  $\frac{1}{4}$  corner of said Section 32. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 2.69 acres, more or less.

Township 22 South, Range 17 East, SLB&M

Section 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$  (within)

#42-32 Lateral

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point in the SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 32, T22S, R17E, SLB&M, which bears N 73°31'41" W 959.67 ft. from the east  $\frac{1}{4}$  corner of said Section 32, thence S 65°27'15" E 203.47 ft.; thence S 00°34'31" W 164.18 ft.; thence S 82°23'15" W 202.79 ft.; thence S 65°50'05" W 290.36 ft.; thence S 33°34'52" W 166.72 ft.; thence S 25°55'02" W 346.94 ft.; thence S 22°06'07" E 579.30 ft.; thence S 69°14'49" E 575.69 ft.; thence S 54°25'51" E 309.14 ft.; thence S 61°09'09" E 499.22 ft.; thence S 61°09'09" E 120.63 ft.; thence S 72°38'43" E 391.66 ft. to a point on the east line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 32, which bears N 00°03'07" E 906.37 ft. from the southeast corner of said Section 32. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 3.07 acres, more or less.

Township 23 South, Range 17 East, SLB&M

Section 2: Lots 4 & 5, S $\frac{1}{2}$ NW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$  (within)

#42-32 Lateral

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point on the west line of Lot 4 of Section 2, T23S, R17E, SLB&M, which bears S 00°39'42" W 1127.35 ft. from the northwest corner of said Section 2, thence S 57°50'31" E 177.73 ft.; thence N 89°26'03" E 347.27 ft.; thence S 66°40'42" E 950.37 ft.; thence S 81°03'59" E 388.16 ft.; thence S 57°55'16" E 1406.45 ft.; thence S 45°52'06" E 478.91 ft.; thence S 27°45'52" E 758.53 ft.; thence S 59°39'06" E 343.13 ft.; thence S 70°00'09" E 523.61 ft.; thence S 71°07'13" E 847.97 ft.; thence S 71°07'13" E 263.73 ft.; thence S 89°40'08" E 663.29 ft.; thence S 85°53'21" E 84.44 ft. to a point more or less on the east line of the NE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 2, which bears S 00°03'34" W 1205.96 ft. from the east  $\frac{1}{4}$  corner of said Section 2. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 5.71 acres, more or less.

**EASEMENT NO. 1299 (APPROVAL AND REFUND OF OVERPAYMENT) (CONTINUED)**

Township 22 South, Range 17 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$  (within)

#42-32 Lateral

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point on the south line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 36, T22S, R17E, SLB&M, which bears N 89°59'18" W 1148.27 ft. from the southeast corner of said Section 36, thence N 01°42'43" E 104.60 ft.; thence N 36°34'22" E 365.07 ft.; thence N 81°35'29" E 937.64 ft. to a point on the east line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 36, which bears N 00°00'23" W 535.09 ft. from the southeast corner of said Section 36. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 1.29 acres, more or less.

Township 22 South, Range 18 East, SLB&M

Section 32: NW $\frac{1}{4}$ NW $\frac{1}{4}$  (within)

#42-32 Lateral

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point on the west line of the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 32, T22S, R18E, SLB&M, which bears S 00°06'47" E 1236.78 ft. from the northwest corner of said Section 32, thence N 29°32'17" E 1147.30 ft.; thence N 29°33'40" E 276.38 ft. to a point on the north line of the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of said Section 32, which bears N 89°51'10" E 704.42 ft. from the northwest corner of said Section 32. Also, beginning at a point on the north line of the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of said Section 32, which bears S 89°51'10" W 481.85 ft. from the north  $\frac{1}{4}$  corner of said Section 32, thence S 42°35'04" E 95.99 ft. to a point in the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of said Section 32, which bears S 80°12'47" W 423.05 ft. from the north  $\frac{1}{4}$  corner of said Section 32. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 1.40 acres, more or less.

Township 21 South, Range 16 East, SLB&M

Section 36: N $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ NE $\frac{1}{4}$  (within)

Trunk Pipeline

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point in the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 36, T21S, R16E, SLB&M, which bears S 77°34'08" W 4846.24 ft. from the northeast corner of said Section 36, thence S 66°58'01" E 340.69 ft.; thence S 76°32'50" E 2811.81 ft.; thence N 56°09'33" E 797.23 ft.; thence N 48°50'17" E 527.47 ft.; thence N 73°05'52" E 654.30 ft. to a point on the east line of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 36, which bears S 00°03'33" E 849.31 ft. from the northeast corner of said Section 36. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 4.71 acres, more or less.

**EASEMENT NO. 1299 (APPROVAL AND REFUND OF OVERPAYMENT) (CONTINUED)**

Township 21 South, Range 17 East, SLB&M

Section 32: N $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$  (within)

Trunk Pipeline

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point more or less on the north line of the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 32, T21S, R17E, SLB&M, which bears N 58°18'45" W 5017.55 ft. from the east  $\frac{1}{4}$  corner of said Section 32, thence S 59°49'29" E 441.29 ft.; thence S 45°43'03" E 2673.07 ft.; thence S 45°36'40" E 2609.03 ft.; thence S 45°44'08" E 155.53 ft. to a point on the east line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 32, which bears N 00°03'31" W 1255.77 ft. from the southeast corner of said Section 32. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 5.40 acres, more or less.

Township 22 South, Range 18 East, SLB&M

Section 32: NE $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$  (within)

Trunk Pipeline

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point on the north line of the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 32, T22S, R18E, SLB&M, which bears S 89°51'10" W 462.13 ft. from the north  $\frac{1}{4}$  corner of said Section 32, thence S 42°33'38" E 1819.65 ft.; thence S 42°35'38" E 2672.94 ft.; thence S 42°33'44" E 101.68 ft. to a point on the east line of the NE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 32, which bears S 00°22'09" W 745.99 ft. from the east  $\frac{1}{4}$  corner of said Section 32. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 4.22 acres, more or less.

Township 24 South, Range 19 East, SLB&M

Section 2: Lots 3 & 4, S $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$  (within)

Trunk Pipeline

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point on the north line of Lot 4 of Section 2, T24S, R19E, SLB&M, which bears N 89°52'36" E 914.34 ft. from the northwest corner of said Section 2, thence S 52°49'20" E 678.07 ft.; thence S 52°48'18" E 2639.13 ft.; thence S 52°49'54" E 2220.32 ft. to a point more or less on the east line of the NE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 2, which bears S 01°56'48" E 707.62 ft. from the east  $\frac{1}{4}$  corner of said Section 2. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 5.08 acres, more or less.

**EASEMENT NO. 1299 (APPROVAL AND REFUND OF OVERPAYMENT) (CONTINUED)**

Township 24 South, Range 20 East, SLB&M

Section 22: E $\frac{1}{2}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$  (within)

Section 26: SW $\frac{1}{4}$ SW $\frac{1}{4}$  (within)

Section 27: W $\frac{1}{2}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$  (within)

Section 35: N $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$  (within)

Trunk Pipeline

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point on the north line of the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 22, T24S, R20E, SLB&M, which bears S 89°38'13" W 1279.81 ft. from the north  $\frac{1}{4}$  corner of said Section 22, thence S 33°27'39" E 719.40 ft.; thence S 03°08'19" W 164.80 ft.; thence S 11°18'34" E 338.67 ft.; thence S 14°21'18" E 484.59 ft.; thence S 14°19'17" E 491.18 ft.; thence S 28°17'56" E 255.18 ft.; thence S 13°58'47" E 960.71 ft.; thence S 15°02'02" E 779.34 ft. to a point more or less on the south line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$  of said Section 22, which bears N 02°23'20" W 1320.79 ft. from the south  $\frac{1}{4}$  corner of said Section 22. Also, beginning at a point more or less on the west line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 22, which bears N 00°17'02" W 1135.64 ft. from the south  $\frac{1}{4}$  corner of said Section 22, thence S 15°02'02" E 1173.89 ft. to a point on the south line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 22, which bears N 89°37'52" E 298.87 ft. from the south  $\frac{1}{4}$  corner of said Section 22, thence S 15°02'02" E 316.05 ft.; thence S 13°56'43" E 2741.69 ft.; thence S 15°03'43" E 1015.70 ft. to a point more or less on the south line of the NW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 27, T24S, R20E, SLB&M, which bears N 45°50'22" W 1889.83 ft. from the southeast corner of said Section 27. Also, beginning at a point more or less on the west line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 27, which bears N 47°50'59" W 1785.74 ft. from the southeast corner of said Section 27, thence S 15°03'43" E 446.79 ft.; thence S 62°57'25" E 1355.23 ft. to a point on the east line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 27, which bears N 00°17'25" W 150.76 ft. from the southeast corner of said Section 27, thence S 62°57'25" E 123.83 ft.; thence S 39°46'59" E 121.46 ft. to a point on the south line of the SW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 26, T24S, R20E, SLB&M, which bears N 89°39'29" E 187.25 ft. from the southwest corner of said Section 26, thence S 39°46'59" E 279.95 ft.; thence S 38°34'52" E 946.56 ft.; thence S 53°06'17" E 526.11 ft.; thence S 02°08'41" E 485.65 ft.; thence S 24°45'01" E 307.84 ft.; thence S 10°16'06" E 1938.24 ft.; thence S 57°28'58" E 717.64 ft.; thence N 80°02'02" E 493.73 ft.; thence S 76°19'05" E 389.98 ft.; thence S 77°29'24" E 56.17 ft. to a point in the SW $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section 35, which bears S 09°49'35" E 4427.32 ft. from the north  $\frac{1}{4}$  corner of said Section 35. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 16.19 acres, more or less.

Township 24 South, Range 20 East, SLB&M

Section 8: N $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NE $\frac{1}{4}$  (within)

Section 9: W $\frac{1}{2}$ SW $\frac{1}{4}$  (within)

Trunk Pipeline

A 40 foot wide easement, 20 feet on each side of the following described centerline, along with a 35 foot wide temporary easement for construction purposes:

Beginning at a point more or less on the west line of the NW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 8, T24S, R20E, SLB&M, which bears S 87°38'30" W 2637.31 ft. from the northeast corner of said Section 8, thence S 89°51'32" E 875.15 ft.; thence S 22°03'00" E 534.87 ft.; thence S 75°45'33" E 185.30 ft.; thence S 29°52'17" E 613.82 ft.; thence S 41°35'20" E 340.52 ft.; thence S 32°51'01" E 1226.74 ft.; thence S 25°41'09" E 107.82 ft.; thence S 05°32'44" W

**EASEMENT NO. 1299 (APPROVAL AND REFUND OF OVERPAYMENT) (CONTINUED)**

57.22 ft. to a point more or less on the south line of the SE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 8, which bears S 03°04'44" W 2627.45 ft. from the northeast corner of said Section 8. Also, beginning at a point on the west line of the NW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 9, T24S, R20E, SLB&M, which bears N 00°18'45" W 1729.09 ft. from the southwest corner of said Section 9, thence S 50°17'49" E 907.70 ft.; thence S 34°46'08" E 171.76 ft.; thence S 20°19'02" E 1009.57 ft.; thence S 53°42'57" E 98.91 ft. to a point on the south line of the SW $\frac{1}{4}$ SW $\frac{1}{4}$  of said Section 9, which bears N 89°52'01" E 1217.14 ft. from the southwest corner of said Section 9. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 5.63 acres, more or less.

Total easement contains 71.95 acres, more or less.

**Temporary Staging Area:**

Township 24 South, Range 20 East, SLB&M  
Section 35: SW $\frac{1}{4}$ SE $\frac{1}{4}$  (within)

A temporary staging area for construction purposes, measuring 200 ft. long and 200 ft. wide, located within the SW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 35, T24S, R20E, SLB&M. Containing 0.92 acres, more or less.

Township 22 South, Range 19 East, SLB&M  
Section 22: Lot 3 (within)

A temporary staging area for construction purposes, measuring 200 ft. long and 200 ft. wide, located within Lot 3 of Section 22, T22S, R19E, SLB&M. Containing 0.92 acres, more or less.

COUNTY: Grand

ACRES: 71.95

FUND: School

**PROPOSED ACTION:**

The applicant requests an easement to construct, operate, repair, and maintain a 20-inch or less diameter buried natural gas pipeline. The pipeline network is located in Grand County between the towns of Green River and Moab. The pipeline network is needed to support the applicant's Greentown oil & gas exploration project and would service several existing and planned wells throughout the area. The proposed easement corridor is a total of 78,341.15 feet long and 40 feet wide, containing 71.95 acres. An additional 35 foot wide temporary easement for construction purposes along the length of the easement corridor, as well as two temporary staging areas, will also be authorized by the easement agreement. The term of the easement will be 20 years.

**RELEVANT FACTUAL BACKGROUND:**

The Resource Development Coordinating Committee ("RDCC") review was initiated on July 26, 2007. Comments were received from the Department of Environmental Quality/Division of Air Quality, the Utah Division of Wildlife Resources and the Southeastern Utah Association of Governments as follows:

**Department of Environmental Quality/Division of Air Quality:**

*"Delta Petroleum Corporation's proposed project may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 North 1950 West, Salt Lake City, Utah, 84116, for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available online at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>*

**EASEMENT NO. 1299 (APPROVAL AND REFUND OF OVERPAYMENT) (CONTINUED)**

*"In addition, the project is subject to R307-205-5, Fugitive Dust, since the project could have a short-term impact on air quality due to the fugitive dust that could be generated during the excavation and construction phases of the project. An Approval Order is not required solely for the control of fugitive dust, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: [www.rules.utah.gov/public/code/r307/r307.htm](http://www.rules.utah.gov/public/code/r307/r307.htm)."*

**Division of Wildlife Resources:**

*"UDWR is concerned that the proposed action will result in impacts to the following species:*

*"Desert Bighorn Sheep: The Crystal Geyser area located in Sections 26, 35, & 36 of T21S, R16E, is the major area of concern for desert bighorn sheep. This herd has particular dependence on the area because of its isolation from other bighorn sheep habitat. Loss of this area would be devastating to the herd. The area utilized is continually being encroached upon by oil and gas well construction. To not further exacerbate the stress on this herd, the UDWR requests that pipeline construction not occur during lambing season (April 15 – June 15) and rutting season (Oct. 15 – Dec. 15). Additionally, potential mitigation measures may also include guzzler installation in the Duma Point Area.*

*"Pronghorn: Yearlong crucial habitat for pronghorn is found throughout the project area, and pipeline construction will result in loss of this habitat. Pronghorn disturbance would be offset by the avoidance of construction activity during fawning season (May 1 – June 15).*

*"Kit Fox and Burrowing Owl: UDWR has worked with Pam Riddle, wildlife biologist for the BLM Moab office, to identify kit fox and burrowing owl habitat in the pipeline vicinity. That information has been given to Delta Petroleum Corp. UDWR requests that disturbance to these habitats be avoided by pipeline construction efforts.*

*"Ferruginous Hawk: During a raptor survey flight conducted on 5-14-07, an active ferruginous hawk nest was located in Section 30, T22S, R18E. This nest exists directly above the proposed dig line for the project. Ferruginous hawks are a state-threatened species, and we request that either all construction efforts and other forms of disturbance be avoided from March 1 – July 15 or that construction activities occur no nearer than ½ mile from this nest during this period."*

**Southeastern Utah Association of Governments:**

*"Favorable comment recommended."*

The applicant has been notified of the comments provided by the RDCC. The comments submitted by the Department of Environmental Quality/Division Air Quality are addressed within paragraph 13 of the easement agreement.

The applicant has responded to the comments from the UDWR as follows:

*"Delta Petroleum Corporation (Delta) has reviewed the concerns addressed by the Utah Division of Wildlife Resources ("UDWR") within your letter dated November 13, 2007, regarding our proposed Easement No. 1299 for the Greentown Pipeline Project. Delta desires to continue to foster the relationship with UDWR to reduce impacts to area wildlife while developing their interests on federal, state, and private lands. We feel that through a lasting relationship with the UDWR, adhering to imposed timing restrictions and reasonable mitigation, that the impacts to wildlife can be reduced while recovering valuable resources that our country depends on now more than [sic] ever.*

**EASEMENT NO. 1299 (APPROVAL AND REFUND OF OVERPAYMENT) (CONTINUED)**

*"Delta will avoid surface disturbing activities, associated with this easement, within the critical habitat areas for Desert Bighorn Sheep and Pronghorn for the period of April 15 to June 15. Furthermore, Delta will complete a Burrowing Owl survey and a Kit Fox survey prior to construction activities occurring within known habitat. The pipeline alignment will be altered to avoid impacts to these habitats or mitigation imposed.*

*"Delta will also fund an existing mitigation account for the installation of one guzzler in the Duma Point Area [or other location as deemed appropriate by UDWR] for the benefit of the Desert Bighorn Sheep. Delta would request that UDWR complete the installation with the funds placed in the mitigation account.*

*"We feel that these efforts will reduce impacts to wildlife in the area of our project and also mitigate for the pipeline installation and previous drilling activities in the area."*

The UDWR has reviewed the mitigation measures as proposed by the applicant and has indicated that these measures are acceptable.

The project area has been surveyed for cultural resources by Montgomery (U06-MQ-1843b,p,s and U08-MQ-0041b,s) with a finding of "Historic Properties Not Affected." The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") have reviewed the project and concur with this finding.

The proposed easement would traverse lands leased for agricultural purposes under Special Use Lease No. 1199. The lessee has submitted written consent to the grant of this easement. The easement will not interfere with the lessee's use of the leased property.

The easement fee for this easement was originally calculated to be \$86,256.17, which the applicant paid. However, after payment of this fee, the routing of the pipeline was altered, thereby reducing the length of the easement corridor located on trust lands. The fee for this revised alignment of the corridor is \$85,463.07. Therefore, **a refund in the amount of \$793.10 should be processed and returned to the applicant.**

**EVALUATION OF FACTS:**

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is for a period of 20 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1299 for a term of 20 years beginning March 1, 2008, and expiring February 29, 2028, with the easement fee being \$85,463.07 plus the \$750.00 application fee. The administrative fee required pursuant to R850-40-1800 has been paid in a one-time payment of \$1,000.00. The Director also ordered **a refund in the amount of \$793.10 be processed and returned to the applicant due to an overpayment of the easement fee.**



**EASEMENT NO. 1366 (APPROVAL)**

**APPLICANT'S NAME AND ADDRESS:**

High Desert Excavating Inc.  
P.O. Box 75  
Green River, Utah 84525

**LEGAL DESCRIPTION:**

Township 20 South, Range 16 East, SLB&M  
Section 28: NW¼NE¼ (within)

A 30 foot wide easement, being 15 feet on either side of the following described centerline:

Beginning at a point located on the centerline of an existing access road, said point being located south 577.80 feet more or less along the west line of the NE¼ of Section 28, T20S, R16E, SLB&M, from the north ¼ corner of said Section 28, thence running along the centerline of said existing access road N 84°07'27" E 38.46 feet; thence N 63°27'18" E 41.85 feet; thence N 45°44'36" E 53.64 feet; thence N 38°15'16" E 89.07 feet; thence N 41°22'54" E 55.14 feet; thence N 46°31'55" E 52.94 feet; thence N 60°55'39" E 40.58 feet; thence N 83°59'28" E 37.61 feet; thence S 81°28'34" E 39.84 feet; thence S 56°35'01" E 59.04 feet; thence S 57°18'03" E 78.40 feet; thence S 61°46'15" E 120.76 feet; thence S 65°17'10" E 327.47 feet; thence S 60°06'51" E 152.23 feet; thence S 62°03'21" E 361.54 feet to a point on the centerline of said existing access road, said point being located on the east line of the NW¼NE¼ of said Section 28. The side lines of said easement being shortened or elongated to meet the Grantor's property lines. Total length of said easement is 1548.57 feet. Containing 1.07 acres, more or less.

COUNTY: Grand

ACRES: 1.07

FUND: Reservoirs

**PROPOSED ACTION:**

The applicant requests an easement to operate, repair, and maintain an existing access road located in Grand County near the town of Green River. The access road is currently used to provide access from a paved road maintained by Grand County across trust lands to a gravel pit operated by the applicant on private lands owned by the applicant. The property underlying the access road is scheduled for public auction, therefore the applicant wishes to legitimize the access road with an easement prior to the lands being sold. The proposed easement corridor is 1,548.57 feet long and 30 feet wide, containing 1.07 acres, more or less. The term of the easement will be 30 years.

**RELEVANT FACTUAL BACKGROUND:**

This easement application was exempt from review by the Resource Development Coordinating Committee ("RDCC") since the access road is already in existence and there will be no new disturbance to the easement corridor.

The Trust Lands Administration's staff archaeologist has reviewed the proposed easement and has indicated that since no new disturbance is planned within the easement corridor, a cultural resources survey would not be required.

In order to preserve the potential sale value of the lands underlying the easement corridor, the easement document will contain a relocation clause which would allow the future owner of the underlying property to relocate the access road such that it would not inhibit the future owner's use of the property.

**EVALUATION OF FACTS:**

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is 30 years.
3. The applicant has paid the fees determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

**EASEMENT NO. 1366 (APPROVAL) (CONTINUED)**

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1366 for a term of 30 years beginning March 1, 2008, and expiring February 28, 2038, with the easement fee being \$469.26 plus the \$750.00 application fee. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement.

**SPECIAL USE LEASE AGREEMENTS****SPECIAL USE LEASE AGREEMENT NO. 965 (FIVE-YEAR REVIEW)**

SULA 965 is leased to Barracks Ranch, Inc., c/o Darrell Foote, 1625 Pinecrest Court, Reno, NV 89523. This is an agricultural lease for a diversion dam and water reservoir storage area in Kane County. School Fund.

1. **ANNUAL RENTAL:**

The five-year review date for this lease is August 1, 2008. The subject property is used for a diversion dam and water reservoir storage area. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. The CPI adjusted rental is greater than the preliminary market value rental estimate. Therefore, it is recommended that the CPI index be used to adjust the annual rental from \$500.00 per year to \$570.00 per year, effective August 1, 2008. A certified notice was sent to inform the lessee of the date of this action and the right to oppose and/or appeal the action. No response was received.

New lease fee: \$570.00

Acres in lease: 7.70

Rental per acre: \$74.03

2. **DUE DILIGENCE:**

The development allowed by the lease has occurred. It is recommended that the lease be kept in force.

3. **PROPER USE:**

The leased premises are being used in accordance with the lease agreement.

4. **ADEQUATE INSURANCE AND BOND COVERAGE:**

Neither insurance coverage nor a bond is presently required by the lease agreement.

5. **ESTABLISHMENT OF WATER RIGHTS:**

There are no Agency-owned water rights associated with this lease.

6. **POLLUTION AND SANITATION REGULATIONS:**

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.

7. **NEXT ASSESSMENT DATE:**

The next assessment date will be August 1, 2013.

Upon recommendation of Mr. Ron Torgerson, the Director approved the five-year review for SULA 965.

**SPECIAL USE LEASE NO. 1451 (RECLAMATION BOND)**

Pursuant to Paragraph 14 of the lease agreement, Bill Barrett Corporation, 1099 18<sup>th</sup> Street, Suite 2300, Denver, CO 80202, has submitted Corporate Surety Bond No. LPM8915668. The bonding company is Fidelity and Deposit Company of Maryland, 1400 American Lane, Tower 1, 19<sup>th</sup> Floor, Schaumburg, IL 60196. The reclamation bond is for \$5,000.00 and will remain in full force and effect until released by the Trust Lands Administration. Carbon County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1451.

**SPECIAL USE LEASE NO. 1452 (RECLAMATION BOND)**

Pursuant to Paragraph 14 of the lease agreement, Bill Barrett Corporation, 1099 18<sup>th</sup> Street, Suite 2300, Denver, CO 80202, has submitted Corporate Surety Bond No. LPM8915669. The bonding company is Fidelity and Deposit Company of Maryland, 1400 American Lane, Tower 1, 19<sup>th</sup> Floor, Schaumburg, IL 60196. The reclamation bond is for \$5,000.00 and will remain in full force and effect until released by the Trust Lands Administration. Carbon County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1452.

**SPECIAL USE LEASE NO. 1435 (RECLAMATION BOND)**

Pursuant to Paragraph 14 of the lease agreement, Bill Barrett Corporation, 1099 18<sup>th</sup> Street, Suite 2300, Denver, CO 80202, has submitted Corporate Surety Bond No. LPM8915670. The bonding company is Fidelity and Deposit Company of Maryland, 1400 American Lane, Tower 1, 19<sup>th</sup> Floor, Schaumburg, IL 60196. The reclamation bond is for \$5,000.00 and will remain in full force and effect until released by the Trust Lands Administration. Carbon County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1435.

**SPECIAL USE LEASE AGREEMENT NO. 1307 (CORRECTION OF MINUTES DATED AUGUST 31, 2007)**

An assignment of the above-referenced telecommunication special use lease was submitted and approved on the Director's Minutes of August 31, 2007. On March 17, 2008, the lessee informed the Trust Lands Administration that the name of the assignee previously provided was incorrect, and has submitted a written request to correct the name.

The previous minutes indicated that the lease be assigned to **Questar Market Resources, Inc.** However, the Grantee in this conveyance should have been **Questar Exploration and Production Company**, which is another entity within the same group of companies. Trust Lands Administration's records need to be corrected and replaced with the following:

Questar Exploration and Gas Company  
Independence Plaza  
1050 17<sup>th</sup> Street, Suite 500  
Denver, CO 80265

All other portions of the minute entry remain the same. Uintah County. School Fund.

*This item was submitted by Mr. Gary Bagley for record-keeping purposes.*

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## LEGAL ACTIONS

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### SETTLEMENT AGREEMENT AND SALE OF TIMBER RESERVATION

In 1924, the State issued Patent No. 14043 for 2327.67 acres located in Grand County and reserved, among other interests, the timber estate. By certain intermediate conveyances, the patented estate is now held by J.B. Ranch, Inc., a Texas Corporation, subject to the reservations in the original patent. The State and J.B. Ranch, Inc. disagree as to the present legal effect of the original timber reservation. Without acknowledging or agreeing to the other party's legal position, the parties have negotiated a sale of the timber estate. The timber to be conveyed has been surveyed and analyzed by Adam Robison of the Surface Group and, given the high level of mortality and evolving plant community, he has determined that the price to be paid for the timber reservation by J.B. Ranch, Inc. represents full value. The State shall quit claim its title to the timber for the sum of \$75,000.00. The land containing the timber is described as follows:

Township 25 South, Range 26 East, SLB&M  
Section 31: SE $\frac{1}{4}$

Township 26 South, Range 26 East, SLB&M  
Section 5: Lot 4, SW $\frac{1}{4}$ NW $\frac{1}{4}$

Township 26 South, Range 26 East, SLB&M  
Section 6: Lots 1 and 2, S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$

Township 26 South, Range 26 East, SLB&M  
Sections 7 and 8: All

Township 26 South, Range 26 East, SLB&M  
Section 9: W $\frac{1}{2}$

Containing 2,327.67 acres, more or less.

Upon recommendation of Mr. Mitchell, the Director approved the above agreement as listed.

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## ACTIONS CONTAINING FEE WAIVERS

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NONE